

Testimony of Rev. Dr. Marian Hatcher
U.S. House Committee on Financial Services
Subcommittee on National Security, International Development, and Monetary Policy
*Ending Exploitation: How the Financial System
Can Work to Dismantle the Business of Human Trafficking*
March 25, 2021

Greetings to the Honorable Rep. Maxine Waters and this esteemed body. It is an honor and a privilege to share my personal and professional experience and knowledge, in an area which adversely impacts citizens of this great country every day.

Human Trafficking relies on a business model which feeds on the vulnerable, benefitting only the predatory. It results in: violence, substandard living conditions, loss of hope, loss of life.

Growing up, I had a loving and caring family, however molestation by a relative at age 7 forever changed the trajectory of my life. While I went on to achieve formal education, corporate success, marriage(s), and motherhood, a seed of perversion planted during that molestation would awaken under negative circumstances.

Those circumstances included a volatile combination of domestic violence, drugs, and associated trauma. I was guilt ridden and ashamed about “allowing” my first abuser (but not the last), to hurt me, assault my mother, put a gun to the head of my oldest son, and terrorize my other children.

When I ran from danger at home, I embraced the numbness provided by crack cocaine and alcohol. To feed that habit, prostitution became a way of life. Eventually I was trafficked. Soon it became impossible to imagine returning to my loved ones who I abandoned.

My tribe, parents, ex-husband, aunts and other in-laws, took care of my children and each other until God brought me home. My exploitation eventually led to my arrest, not an uncommon outcome for so many trafficking survivors. However, I benefited from jail-based treatment, and even though arrest should never be a tool for connecting survivors with services, having access to those services paved the way to reuniting with my family after nearly two years, and I found a second chance.

My second chance resulted in a career and purpose-filled next chapter at the Cook County, IL Sheriff’s Office (CCSO) first as a Peer Coordinator, then Administrative Assistant, Executive Assistant, Special Projects Manager, Project Manager and Senior Project Manager. Most recently I served as policy analyst and victim advocate. (Currently, I am on medical leave due to multiple sclerosis.)

Therefore, from 2005-2019, my purpose and responsibility became addressing the unaddressed issues of victims who lived, suffered, and often died because of experiences like mine.

Seeing how many people, especially women of color, were ruined by systems of prostitution and systemic oppression planted in me a fiery passion and focus on gender-based violence. This dedication was surpassed only by my commitment to holding predators accountable.

I am here to present my lived experience both as a victim of human trafficking and as a professional champion of law enforcement tactics that center restorative justice and accountability. These are personal reflections as a well-informed citizen; I am not speaking in any official capacity.

As a sex trafficking survivor with 15 years of experience working for a law enforcement agency—despite the criminal record I still carry as a result of my trafficking victimization, which is a unique opportunity rarely available to other survivors—I have seen firsthand how law enforcement efforts that center the voices of survivors can lead to real change. I am proud to share today how I was able to be part of just that type of effort and what I have learned is necessary to continue improving the response to human trafficking in the United States.

Sheriff Tom Dart was elected Cook County’s sheriff in 2006 after serving in the Illinois state legislature. Three years later, in 2009, he began implementing a new approach: Instead of arresting and charging exploited individuals, he put the focus on arresting and charging sex buyers, who drive the human trafficking market, while providing access to more comprehensive services for survivors like me.

His goal was, and is, to hold those who cause harm accountable, because the harm caused is immense and few public budgets can cover the cost of making victims whole, which requires; medical services, mental health and substance use disorder treatment, legal aid, and housing assistance just to start.

In the process of working in the sheriff’s office I became coordinator of the “National Johns Suppression Initiative,” a nationwide effort with over 100 arresting agencies and more than 200 partners targeting sex buyers as the driving force of sex trafficking and prostitution. Federal agencies were involved. Fundamentally, human trafficking functions as a market in which demand drives supply.

Based on my experience interviewing hundreds of victims, and watching scores of federal, state, and local trafficking cases unfold, I want to share three “high-level” observations regarding money and human trafficking, then move to a more detailed assessment.

- The commercial sex trade is a multi-billion-dollar industry that causes massive, long-term physical and psychological damage, disproportionately impacting women and youth of color. **Yet almost no money reaches victims even those identified as victims of human trafficking.** The need for expanded services for trafficking victims is great, and the lack of investment in services can be addressed in part by redirecting funds from convicted exploiters in order to help fund specialized programs that can address the persistent scarcity of appropriate services.
- To solve cases of systematic abuse and exploitation, technology can be a tool for investigation and prosecution. It is possible to use technology to build cases against human traffickers, and buyers who facilitate trafficking, without relying on victims who are often retraumatized in the criminal justice system when they participate as victim-witnesses. Since survivors often learn to disassociate in order to survive, they may also be unable to testify accurately about their experience during trial. Technology can provide a solution by following the money, as King County did in its investigation of the Review

Board.¹ **However, leadership at the federal level and political will to promote victim-centered approaches is needed to get wider deployment of these tactics.**

- Despite the current popularity of the mantra “sex work is work,” my 15 years of experience also tells me that **most** women and youth do **not** want to be selling access to their bodies. Even those who are not trafficked are selling sex out of duress, such as addiction, homelessness, mental distress, or a combination of these factors. Most want out of “the Life,” but instead of receiving services needed to successfully leave “the Life,” many survivors are instead criminalized, creating further barriers to long term healing and financial stability. Often this leads to re-exploitation because survivors are forced to return to the commercial sex industry due to a lack of options.

Ensuring resources are available, and removing barriers to long-term financial stability, so that survivors can heal and achieve financial stability, is essential to combatting this crime and preventing the cycle of vulnerability, exploitation, and criminalization that so many survivors experience.

Let me now share two primary areas where finance-related issues impact the response to trafficking survivors and some solutions for improving the response to trafficking:

#1: Vast sums of money circulate through the commercial sex industry in which countless trafficking survivors are bought, sold and exploited, yet these funds rarely reach survivors who face tremendous financial obstacles on their path to healing and financial wellness.

The current prosecution of Backpage executives provides an example of a potential unjust result for many survivors who were exploited on this now-defunct platform. While prosecution of Backpage executives was an appropriate response to years of this website profiting from the exploitation of trafficking survivors across the United States and even around the world, the vast sums of money that were accumulated by the Backpage executives at the expense of victims could now be forfeited and directed into the Department of Justice Assets Forfeiture Fund.

The potential injustice here lies in the fact that the alleged criminal conduct of the Backpage executives harmed countless trafficking survivors who only gained the ability to hold Backpage accountable in civil court as a result of legislation that was enacted just 6 days after the Backpage executives were charged and their assets seized in connection with the criminal prosecution. As a result, survivors who are now able to bring civil claims against Backpage for knowingly facilitating sex trafficking face the prospect of not actually being able to recover damages even if they are successful in their lawsuits.

This is especially important in the context of human trafficking because, unlike other forms of trafficking like drug trafficking that focus on illicit funds derived from contraband, human trafficking involves victims who have experienced severe abuse and egregious violations of their rights as a result of their trafficking victimization. At the same time, services for human trafficking victims are already extremely scarce; the pandemic and resulting economic crisis have further shrunk the pool of available services. Additionally, access to services can lead to survivors being better able and more willing to participate in the prosecution of their trafficking exploiters so shifting these funds to services could still promote successful trafficking

¹ State v. Peters, No. 79348-9-I, 2021 Wash. App. LEXIS 363 (Wash. Ct. App., Feb. 22, 2021).

prosecutions. Given the severe toll of human trafficking crimes and the urgent and critical needs of survivors, it is important to consider how funds from an industry that profits from exploitation can be used to dramatically impact the scarcity of services and long-term needs of survivors.

Employing technology to “follow the money” in the commercial sex industry and identify financial networks of trafficking enterprises can also lead to more victim-centered investigations and prosecutions that reduce reliance on victim-witness testimony. As I saw in my years of experience working with survivors of trafficking in Cook County, trafficking victims often face retraumatizing experiences in the criminal justice system when they participate as victim-witnesses, ranging from intimidation by their exploiter and sometimes the exploiter’s family to having to retell their story to a jury only to encounter aggressive cross-examination tactics intended to discredit them. It is not surprising that many survivors are unwilling to participate in this process and those who do often experience serious consequences for their mental health and setbacks in their healing process.

Additionally, since many survivors learn to disassociate in order to survive, they may also be unable to testify accurately about their experience during trial. Technology can provide a solution by following the money, as King County did in its investigation of the Review Board. In this case, King County law enforcement and prosecutors looked at the market for commercial sex and found that technology had not only provided a platform for sex buyers to purchase individuals for sex, but it also enabled them to facilitate commercial sexual exploitation by pulling more and more individuals into their network. By focusing enforcement efforts on those who created and operated this platform and the network they built up around it, rather than focusing enforcement efforts on the individuals being sold for sex on the platform, King County was able to “follow the money” and dramatically impact the market for exploited individuals in their jurisdiction.

#2: Address the long-term impacts of human trafficking with financial remedies for survivors

The impact of human trafficking does not end when victims leave their trafficking situations and their exploiters are held accountable. For survivors, these are just the first steps in a long process toward achieving the interwoven goals of healing, empowerment, and financial stability. Without financial stability and resources to support educational goals and to meet basic needs, survivors who have left their trafficking situation will often struggle to stay “out of the life” and may return to exploitative situations due to lack of resources.²

The fact that many trafficking survivors face arrest and criminal charges as a result of their trafficking means they face even greater hurdles to accessing needed housing assistance, seeking employment, and pursuing educational goals.

We must provide avenues for credit history relief³ and ensure availability of consumer banking products for trafficking victims. In addition to exploiting their victims through commercial sex or forced labor, traffickers – particularly in the context of domestic trafficking – may also exploit

² Jennifer Cox, et al., *The Hard Part Was Keeping Me Out: Healthcare, Law Enforcement, Survivor Advocates and Harm Reduction Services Unite*, SHARED HOPE INTERNATIONAL, (2020), <https://webinars.sharedhope.org/product/issuearea3-b/>.

³ PUBLIC PRIVATE PARTNERSHIP ADVISORY COUNCIL ON HUMAN TRAFFICKING REPORT (2020) at 44–45.

their victims' credit histories by using their social security numbers to take out loans and make large purchases, such as vehicles, intending not to pay, thereby destroying their victims' credit histories in the process.

When survivors without credit histories and those having damaged credit histories leave their trafficking situations and begin working toward financial stability, they often find that they are unable to access basic consumer banking services – in particular, obtaining a credit card – which creates further barriers to establishing credit histories and achieving financial independence.

Lack of a bank account or credit card may even impact a survivor's ability to seek employment or to rent an apartment. Therefore, disrupting the long-term impacts of human trafficking should include assistance for survivors with amending damaging reports and other methods for improving their credit histories to prevent ongoing injury from trafficking victimization. Utilizing alternative means of evaluating credit for human trafficking survivors could have a dramatic impact on a survivor's ability to attain financial stability and to heal from the wounds of trafficking victimization.

We should also provide access to financial literacy education for human trafficking survivors. Survivors who have experienced sex trafficking as a child or young adult have shared that an important support that was sometimes lacking in the services they received was education on financial literacy and the skills they needed to become financially self-sufficient.

Given the many adverse consequences and barriers to financial stability that arise from having a criminal record, especially felony convictions, and the prevalence of trafficking victims being criminalized as a result of their trafficking victimization,⁴ strategies are needed to both reduce the criminalization of survivors at the outset to prevent criminal records from creating barriers to long-term healing and financial wellness, as well the ability to vacate criminal records that resulted from trafficking victimization since so many survivors continue to carry these records and face many hurdles as a result. I personally have experienced this firsthand.

My Christmas present in 2017 was receiving notice, from the Governor of Illinois, that he granted me Executive Clemency. It was one of my happiest days. Yet more human trafficking victims should gain that freedom, as the record is a shackle to the past.